

PRESS RELEASE

GLO deposits in last 10 year exceed prior total deposits since 1874

Investment returns reflect new diversity of income

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AUSTIN — Fiscal year 2014 is in the books and for the first time ever the Texas General Land Office deposited more than \$1 billion into the state's Permanent School Fund, crushing all previous records.

"Our top job here at the General Land Office is to earn money for the school kids of Texas," Land Commissioner Jerry Patterson said. "These numbers prove we're doing our job very well. Better than ever, in fact."

The record earnings are in large part due to the revolution in hydraulic fracturing technologies, which has private companies competing to outbid each other for access to Permanent School Fund lands that previously were of marginal value. Lease rental income on Permanent School Fund land was up more than 653 percent in 2014, and lease bonus income rose by 86 percent over 2013.

Savvy investments by the General Land Office also helped. Revenue from investments — more than \$461 million — is up 71 percent over 2013. Patterson said these impressive numbers show his emphasis on buying and selling land and investing in a multitude of other opportunities, not just relying on oil and gas income, is paying off.

"Oil and gas have been very good for public education in Texas, but we're really starting to see the fruits of our efforts to diversify our income stream," Patterson said.

Between 1874 and 2003, the year Patterson took office, the General Land Office deposited about \$7.9 billion into the Permanent School Fund. Since then, from 2003 to 2014, the General Land Office has managed to deposit a whopping \$8.1 billion — bringing the grand total up to \$16 billion.

The Permanent School Fund, now valued in excess of \$34 billion, helps pay for the state's share of K-12 public education.

"We've had a good run," said Patterson, who will leave office at the end of this term in January. "I am fortunate to have had an incredibly talented, hard-working staff during my time here at the Land Office. They've made even me look good."

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